FUTURE DIRECTIONS FOR DAY CARE IN SASKATCHEWAN

Presentation by

The Government of Saskatchewan

to

The Special Committee
on
Child Care

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INTRODUCTION

The Government of Saskatchewan is pleased to have this opportunity to discuss the future of day care with this Special Committee on Child Care.

Our government recognizes that parents have primary responsibility for the care of their children. We also recognize that the provision of child care is an essential support service for many families in this province. Given that 54% of the women in Saskatchewan currently work outside the home, it is vital that families have access to quality child care services which are both affordable and flexible.

The demographics and the sparsity of our population present particular challenges. In terms of demographics, we in Saskatchewan are faced with an increasingly aging population whose needs will continue to exert pressure on scarce social programming dollars.

The sparsity of our population has always placed special demands on our social programs in terms of ensuring an equitable distribution of resources and services between rural and urban residents.

Saskatchewan has the foundation on which to continue developing quality child care services and options for delivery of those services. We are committed to improvement in this area. This commitment is based on the following principles:

- Parents have primary and ultimate responsibility for the care of their children.
- Children have a right to be cared for in a safe, stimulating and nurturing environment.
- Child care services are an essential support to many families.
- Parents should have a choice of quality child care arrangements which are affordable and flexible.
- Federal-provincial co-operation is essential to the development of quality child care services.

EXISTING PROGRAMS

The Day Care Branch was established in 1974 within the Department of Social Services and, in 1975, the first day care regulations established standards for day care facilities. Within a few years, these were expanded to include family day care homes.

Day care centres in Saskatchewan must be operated by non-profit or co-operative boards. With few exceptions, these boards are comprised of parents using the centre.

The approved day care home program allows individuals to care for up to eight children in their own homes. This is especially suited to rural areas where there is not sufficient demand for a day care centre. As well, approved day care homes accommodate much of the care for infants who are not eligible for day care centres.

Although Saskatchewan has provided 1,000 new spaces over the past four years, the demand for day care remains high.

Funding is provided to day cares in the form of grants and subsidies. The current program emphasizes fee subsidy rather than grants. Subsidies are paid on behalf of eligible families to offset the cost of day care fees. The maximum subsidy available to families is $235.00 per child per month.

Our day care program has been especially valuable to those families most in need. Subsidies are provided for 78% of the children using licensed centres and approved homes in Saskatchewan. Family composition has remained constant during the past few years; 80% of subsidized families are single-parent households and almost all of these are headed by women.

Until recently, Saskatchewan day care centres relied almost exclusively on user fees for their revenue. In response to recommendations from interest groups, the Saskatchewan government introduced an operating grant of $20 per space per month to day care centres. This grant provides a more stable funding base and acknowledges that parents at all income levels require child care services, not only those families who are eligible for subsidies. Initiatives to increase the stability of day care centres will aid all families, regardless of income, who choose to use day care services.

The Saskatchewan program also supplies start-up funding in the form of a grant to both centres and homes. New centres are eligible for $600 per space, and homes are eligible for $200.

In Saskatchewan, centres are encouraged to participate in a Special Needs Program for children who have physical, mental or emotional disabilities. Special supervision grants of $200 per month per child and equipment grants of $600 annually are paid to centres to assist with any additional costs incurred.

Saskatchewan has the foundation in place for an excellent day care program, however there are challenges confronting us which must be dealt with to ensure that the program continues to respond in a positive manner to the needs of Saskatchewan families.

CURRENT CHALLENGES

In the not too distant past, children were cared for almost exclusively within the family domain by women. Alternate child care arrangements are a relatively new phenomenon. The emergence of child care as a major issue has generated many challenges, some of which are unique to moving into unchartered waters.

In order to properly address child care issues, it is important to note that the changes taking place in this province and others point to the need for innovative alternatives and an increased responsiveness to the changing needs of families. The single, most important factor in this regard is the unprecedented growth in the number of women who are entering the work force. This is a reality which must be acknowledged.

Mention has already been made of the province's growing number of elderly citizens. This is but one example of a growing array of competing forces for the public dollar. All indications are that these types of pressures will continue to grow and therein lies a great challenge for all of us.

At the same time, there are other demographic trends which warrant attention as well, namely the increasing number of two-earner families and of single-parent families.

The principles for enhancing child care services, mentioned previously, provide a context in which the challenges can be summarized clearly.

Care for Children

We recognize that children thrive in an environment that is safe, stimulating and nurturing, and because of the work responsibilities of their parents, services are often required to provide this outside the home.

While many services are currently available in Saskatchewan's urban centres, our rural families often do not have access to alternative care. Saskatchewan recognizes the need to develop innovative child care delivery models, and we believe that viable solutions can be found by working together.

With increasing numbers of farm women participating in work, both on the farm and in paid employment, it is important that day care policy development does not exclude the needs of rural children. We are committed to the development of services suited to our wide-spread, rural population.

Family Support

Day care services in Saskatchewan have been and will continue to be developed with a view to supporting the family and respecting the parents' role and responsibility. Therefore, day care must continue to be developed to support families who require the access to alternative child care as well as those who require financial support in obtaining this care. We view licensed day care as an important option, but not necessarily as an exclusive or preferred choice for parents.

We balance our evolving day care policy with our desire to enhance and support the family as the basic social structure. Effective policy must respond to the pressing need for out-of-home child care. In doing so, though, care must be taken to uphold traditional family values.

Currently in Saskatchewan, day care centres are administered at the direction of volunteer parent controlled boards. This co-operative effort ensures that the services provided are suited to the needs of the parents whose children are in the centre. The nature of family day care homes provides ample opportunity for parental input.

We also believe it is critical that families have choices in selecting child care arrangements best-suited to their needs and preferences. Our system of family day care homes offers an important alternative to day care centres, particularly in terms of infant care.

Given that the family is our basic social and economic unit, society's institutions have an interest and a responsibility to be partners in this enterprise. Such issues as flexible hours, parental leave and job sharing are just a few examples of the challenges facing employers, educational and training institutions and unions.

Governments alone cannot ensure quality child care services. A co-operative effort is imperative.

Women in the Economy

Among the changes in Saskatchewan society over the last decade, none has been more significant than the change in the social and economic patterns of women. The most significant change has been the increase in the number of women in the labour force.

In 1975, the female labour force participation rate was 40.3%. By 1985, the rate had reached 54.9%. But even these figures mask the magnitude and the implications of this change since they include all women over 15 years of age.

The greatest increase in female labour force participation has occurred in the 20-44 years group. In 1985, 52.1% of Saskatchewan women with children under the age of three were working, compared to 28.4% in 1975. In 1985, 64.9% of women with children 3-5 years were in the labour force, compared to 38.6% in 1975. Women with children between the ages of 6-15 increased their participation in the labour force from 50% in 1975 to 71.9% in 1985.

Women seeking to return to the labour force often participate in training or education before making that transition from the home. Provincial educational institutions and funding agencies have been addressing the child care requirements of these adult women students. The challenge is to provide child care services which enable women to seek training and education.

It is also worth noting women's participation in the economy as owners of small businesses. Currently, 49% of Saskatchewan businesses are operated by women. This is one more indicator of the growing and vital participation of women in the labour force.

Federal-Provincial Co-operation

Saskatchewan has been relatively satisfied with the provisions for day care services under the Canada Assistance Plan. We have been pleased with this structure, and recognize it has been a major catalyst in the development of day care across the country.

While it is a successful program, there are several areas which require greater flexibility to facilitate increased stability and improved facilities. For example, the cost of operating and equipment grants, as well as capital expenditures cannot be fully cost-shared under CAP. These are important components to an affordable quality system. In recognition of this, Saskatchewan has provided start-up and operating grants without full cost-sharing from the federal government.

An additional challenge is to develop co-operation, both between and within each level of government, among those departments which have responsibility and expertise in the care, education and health of children, family support services, training opportunities for women, employee benefits, labour market analysis and so on. A co-ordinated approach is essential to plan effectively for a service which touches many families.

Government-Employer Co-operation

Employers are recognizing that larger numbers of their employees are dependent on child care arrangements. The lack of suitable or dependable arrangements can adversely affect employees' productivity and lead to increased absenteeism. On the other hand, when employees can be confident that their children are being well cared for, it can have a positive effect on employee attitudes and productivity, and can reduce absenteeism rates.

The benefits of day care in the work place have been well-documented, and there is a growing need to involve employers in the provision of services. This should not be the responsibility of governments alone, and many of the more progressive employers are recognizing the role they have to play.

For example, in Regina, the Regina Market Square Association (an organization of the downtown business community) was responsible for initiating development of a day care centre in the downtown area. This was one of the first centres in Saskatchewan to be organized by employers rather than the prospective parent users. The provincial government paid the usual start-up grant of $600 per space and subsidies to eligible parents to offset the user fees. The Regina Market Square Association also paid a grant to the centre to supplement its revenue.

The Regina General Hospital also pays a grant to its day care centre over and above government funding and parent fees. This centre was spearheaded by the Personnel Department of the hospital in recognition of the need for day care services by hospital staff.

In addition, there are day care centres at the two universities in Saskatchewan. While the universities do not pay grants, they pay for the major operating costs other than salaries. As a result, the centre boards have more funds at their disposal for salaries and programming.

These examples of government-employer co-operation illustrate what can be accomplished through working together.

SASKATCHEWAN'S COMMITMENT

Saskatchewan believes that federal and provincial governments must work together to address these challenges and to develop plans for enhancing the services already in place in our province.

We are committed to ensuring that all children whether attending family day care homes or licensed centres are in a safe, nurturing environment that fosters normal development. Family support and parental participation will continue to be emphasized to maximize their influence on the alternate care arrangements that they choose for their children.

Day care must also be recognized as a critical factor in enhancing the employability of women. If women are to achieve equality in the labour force, there must be access to day care linked to education, training and jobs. The Saskatchewan government is committed to increasing economic opportunities for women, and to increasing opportunities for women to choose the manner in which they participate in public life.

It is clearly recognized that new delivery models for rural areas must be identified. The Government of Saskatchewan is strongly committed to working with rural families to develop services which support their needs and recognize their unique contribution to the Saskatchewan way of life. This is the major priority at the present time for day care in Saskatchewan.

This is a complex and challenging initiative; however, we are confident that with the creative and innovative spirit of Saskatchewan people, effective and responsive services will be identified and implemented in the near future.

In addition, the Saskatchewan government is committed to addressing the issue of day care for infants and will work toward providing increased incentives for directing resources toward very young children.

Increased flexibility to accommodate part-time workers and students, as well as to facilitate community services for school-aged children will also be stressed.

RECOMMENDATIONS FOR FEDERAL ACTION

We are committed to achieving our objectives for a comprehensive child care system which responds to the needs of children, families and women in Saskatchewan. Co-operation and consultation with the federal government is an integral part of developing a plan for the future.

Saskatchewan families are impatient with studies on day care. Our government is committed to action and we urge the federal government to take immediate and decisive action in the following areas:

Need for Co-operation

1. In view of the fact that day care services are a joint responsibility of federal and provincial governments, it is recommended that a **co-ordinated, multi-disciplinary approach be taken between the governments in all planning and development of day care initiatives in Canada.**

   Co-ordination between levels of government is essential and the myriad needs of children, families and communities must be integrated for truly effective program delivery.

   This recognizes that day care requires safe and stimulating environments for children and thus must involve expertise from health, education and social support perspectives. In other respects, it is also an employment and labour matter, and a consideration in the provision of training.

2. **To further articulate the above, we recommend that the provinces and the federal government negotiate an agreement of Principles concerning our respective roles and responsibilities in the social and economic development of enhanced child care system for Canada.**

Extend Federal Cost Sharing

3. The Saskatchewan government believes that subsidy funding which offsets the cost of day care fees should be directed to lower income families. However, in recognition of the fact that all families require day care when parents work or attend school and to ensure that such services are accessible to all Canadians who require them, we recommend that the federal government **amend the Canada Assistance Plan to allow for unconditional federal start-up grants for day cares and for extending CAP arrangements for full cost sharing of equipment and operating grants.**

   This would allow increased flexibility within the CAP agreement to allow for significant advances in stabilizing the services and improving the quality of facilities. The Saskatchewan government considers this to be essential and an immediate initiative is required on the part of the federal government.

Taxation Incentives

4. In order to encourage more employers to become involved in establishing day care for their employees, the Saskatchewan government concurs with the recommendation of the Cooke Task Force that **all capital costs for child care facilities incurred by employers on behalf of employees shall form a new and separate class of depreciable property under the Income Tax Act, with a capital costs allowance increasing from 50 to 100 percent.**

   Federal support is essential in encouraging employers to get involved in the provision of day care.

5. The Saskatchewan government believes parents have the right to choose the most appropriate form of day care for their children and should not be restricted to using family day care homes and licensed centres. In recognition that parents' child care costs are a direct work or educational expense, and that many families may not have access to a subsidized program or may choose not to use it, it is recommended that **provision for child care expenses in the income tax system be increased from the current level of $2,000/child. The deduction should correspond to the actual cost up to a maximum as determined by the average cost of licensed child care in the province or Canada as a whole.**

This initiative would ensure that women have the opportunity to participate in paid employment when they wish to do so without being discouraged by prohibitive child care costs.

Rural Services

6. The federal government, as part of its joint responsibility for day care, must **support and fund the research and development of innovative services to families in rural communities.**

We urge the federal government to consider the diverse needs of people in remote, sparsely-populated areas of the country.

The majority of Saskatchewan families live outside our major urban centres. Like their urban counterparts, they too require access to child care services.

Parental Involvement and Responsibility

7. In Saskatchewan, the day care program promotes the growth of family day care homes and non-profit centre models as options to address the demand for day care. These options provide sufficient flexibility to encourage innovation in program delivery. This approach highlights the involvement and responsiblity of parents in the alternate care of their children.

It is therefore recommended that the federal government **encourage and support the development of options within the non-profit child care system.**

Training Programs

8. In recognition that the quality of services provided in child care centres is often affected by the level of education of the staff, the training of child care workers is an important requirement.

In order to enhance the quality of services provided in child care centres, we recommend, **the federal government provide additional funding for the development of new training programs for day care providers.**

CONCLUSION

We are committed to improving the ability of our families and communities to move with confidence toward a future which accommodates their changing activities and diverse needs. As women participate more fully in educational and employment opportunities and contribute increasingly to the economic life of the province, we will continue to support the family in meeting the challenges and opportunities of the future.

It is time for action. Saskatchewan is prepared to meet the challenges. We intend to build for a future based on strength in the family, on opportunities for women to reach their full potential, and with continued priority on the care and nurturance of our children.

We cannot accomplish this alone. Consultation with families and communities will continue to be important in reaching these objectives. However, we must stress that federal co-operation is also an essential ingredient in this process. Therefore, we urge the Federal government to accept responsibility in this regard. Decisive action is required.

We respectfully submit our recommendations and trust that they provide the basis for a flexible, innovative child care system across the country.